

EXECUTIVE OFFICES

INTERMOUNTAIN GAS COMPANY

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IDAHO PUBLIC
UTILITIES COMMISSION

September 30, 2008

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
472 W. Washington St.
P.O. Box 83720
Boise, ID 83720-0074

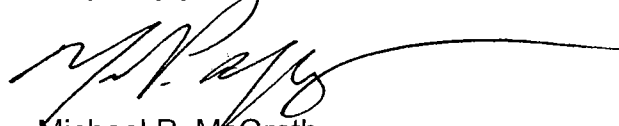
RE: Intermountain Gas Company
Case No. INT-G-08-03
Order No. 30649

Dear Ms. Jewell:

Pursuant to the above referenced Case and Order No., attached for stamped approval by this Commission are clean copies of the applicable tariffs.

If you have any questions regarding the attached, please contact me at 377-6168.

Very truly yours,



Michael P. McGrath
Director
Gas Supply & Regulatory Affairs

MPM/sc

Enclosures

cc: E.N. Book

**COMPARISON OF PROPOSED OCTOBER 1, 2008 PRICES
TO OCTOBER 1, 2007 PRICES**

<u>Line No.</u>	<u>Rate Class</u> (a)	<u>October 1, 2007 Prices per INT-G-07-03</u> (b)	<u>Proposed Adjustment</u> (c)	<u>Proposed October 1, 2008 Prices</u> (d)
1	RS-1			
2	April - November	\$ 1.12459	\$ 0.16761	\$ 1.29220
3	December - March	1.01203	0.16761	1.17964
4	RS-2			
5	April - November	0.97735	0.18281	1.16016
6	December - March	0.94372	0.18281	1.12653
7	GS-1			
8	April - November			
9	Block 1	0.99349	0.17570	1.16919
10	Block 2	0.97176	0.17570	1.14746
11	Block 3	0.95074	0.17570	1.12644
12	December - March			
13	Block 1	0.94264	0.17570	1.11834
14	Block 2	0.92144	0.17570	1.09714
15	Block 3	0.90098	0.17570	1.07668
16	CNG Fuel	0.90098	0.17570	1.07668
17	LV-1			
18	Block 1	0.76302	0.20782 ⁽¹⁾	0.97084
19	Block 2	0.72453	0.20782 ⁽¹⁾	0.93235
20	Block 3	0.63928	0.20644 ⁽²⁾	0.84572
21	T-3			
22	Block 1	0.05751	0.00130 ⁽³⁾	0.05881
23	Block 2	0.02491	0.00130 ⁽³⁾	0.02621
24	Block 3	0.01078	0.00130 ⁽³⁾	0.01208
25	T-4			
26	Block 1	0.06174	0.00130 ⁽³⁾	0.06304
27	Block 2	0.02325	0.00130 ⁽³⁾	0.02455
28	Block 3	0.00852	0.00130 ⁽³⁾	0.00982
29	T-5			
30	Demand Charge	0.61643	0.22610 ⁽⁴⁾	0.84253
31	Commodity Charge	0.00437	0.00130 ⁽³⁾	0.00567
32	Over-Run Service	0.04696	0.00130 ⁽³⁾	0.04826

⁽¹⁾ See Workpaper No. 7, Line 13, Col (e)

⁽²⁾ See Workpaper No. 7, Line 17, Col (e)

⁽³⁾ Remove INT-G-07-03 temporary of \$0.00191 and add the temporary from Exhibit 9, Line 20, Column (b)

⁽⁴⁾ Remove INT-G-07-03 Fixed Temporary Credit of (\$0.22610)

Name
of Utility

Intermountain Gas Company

IDAHO PUBLIC UTILITIES COMMISSION

Approved

Effective

Sept. 30, 2008

Oct. 1, 2008

Per O.N. 30649

Jean D. Jewell Secretary

**Rate Schedule RS-1
RESIDENTIAL SERVICE**

AVAILABILITY:

Available to individually metered consumers not otherwise specifically provided for, using natural gas for residential purposes.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill

Commodity Charge - \$1.29220 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge - \$1.17964 per therm*

***Includes:**

Temporary purchased gas cost adjustment of \$(0.01215)
Weighted average cost of gas of \$0.78484

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Issued by: **Intermountain Gas Company**

By: Michael P. McGrath

Title: Director – Gas Supply & Regulatory Affairs

Effective: October 1, 2008

**Rate Schedule RS-2
MULTIPLE USE RESIDENTIAL SERVICE**

AVAILABILITY:

Available to individually metered consumers using gas for several residential purposes including both water heating and space heating.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill

Commodity Charge - \$1.16016 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge - \$1.12653 per therm*

***Includes:**

Temporary purchased gas cost adjustment of \$0.00413

Weighted average cost of gas of \$0.78484

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

**Rate Schedule GS-1
GENERAL SERVICE**

AVAILABILITY:

Available to individually metered customers whose requirements for natural gas do not exceed 2,000 therms per day, at any point on Company's distribution system. Requirements in excess of 2,000 therms per day may be served under this rate schedule upon execution of a one-year written service contract.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.00 per bill

Commodity Charge - First 200 therms per bill @ \$1.16919*
Next 1,800 therms per bill @ \$1.14746*
Over 2,000 therms per bill @ \$1.12644*

For billing periods ending December through March

Customer Charge - \$9.50 per bill

Commodity Charge - First 200 therms per bill @ \$1.11834*
Next 1,800 therms per bill @ \$1.09714*
Over 2,000 therms per bill @ \$1.07668*

***Includes:**

Temporary purchased gas cost adjustment of \$(0.00518)
Weighted average cost of gas of \$0.78484

**Rate Schedule GS-1
GENERAL SERVICE (Continued)**

For separately metered deliveries of gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines.

Customer Charge - \$9.50 per bill

Commodity Charge - \$1.07668 per therm*

***Includes:**

**Temporary purchased gas cost adjustment of \$(0.00518)
Weighted average cost of gas of \$0.78484**

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. Any GS-1 customer who leaves the GS-1 service will pay to Intermountain Gas Company, upon exiting the GS-1 service, all gas and transportation related costs incurred to serve the customer during the GS-1 service period not borne by the customer during the time the customer was using GS-1 service. Any GS-1 customer who leaves the GS-1 service will have refunded to them, upon exiting the GS-1 service, any excess gas commodity or transportation payments made by the customer during the time they were a GS-1 customer.
2. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

**Rate Schedule LV-1
LARGE VOLUME FIRM SALES SERVICE**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing customer receiving service under the Company's rate schedule LV-1 or any new customer whose usage does not exceed 500,000 therms annually, upon execution of a one-year minimum written service contract for firm sales service in excess of 200,000 therms per year.

MONTHLY RATE:

Commodity Charge:

First 250,000 therms per bill @ \$0.97084*
Next 500,000 therms per bill @ \$0.93235*
Amount Over 750,000 therms per bill @ \$0.84572**

The above prices include weighted average cost of gas of \$0.78484

* Includes temporary purchased gas cost adjustment of \$0.04185

** Includes temporary purchased gas cost adjustment of \$0.05427

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.

2. Any LV-1 customer who exits the LV-1 service at any time (including, but not limited to, the expiration of the contract term) will pay to Intermountain Gas Company, upon exiting the LV-1 service, all gas and/or interstate transportation related costs to serve the customer during the LV-1 contract period not borne by the customer during the LV-1 contract period. Any LV-1 customer will have refunded to them, upon exiting the LV-1 service, any excess gas and/or interstate transportation related payments made by the customer during the LV-1 contract period.

3. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the LV-1 Block 1 rate adjusted for the removal of variable gas costs. The customer's future eligibility for the LV-1 Rate Schedule will be renegotiated with the Company.

**Rate Schedule LV-1
LARGE VOLUME FIRM SALES SERVICE
(Continued)**

In the event that total deliveries to any new customer did not meet the 200,000 therm threshold during the current contract period, an additional amount shall be billed. The additional amount shall be calculated by billing the customer's total usage during that contract period at the Rate Schedule GS-1 Block 3 rate, and then subtracting the amounts previously billed during the annual contract period. The customer's future eligibility for the LV-1 Rate Schedule will be renegotiated with the Company.

4. The customer shall negotiate a Maximum Daily Firm Quantity (MDFQ) amount, which will be stated in and will be in effect throughout the term of the service contract. The MDFQ shall not exceed the customer's historical maximum daily usage, as agreed to by the Company.

In the event the Customer requires daily usage in excess of the MDFQ, and subject to the availability of firm interstate transportation to serve Intermountain's system, all such usage may be transported and billed under either secondary rate schedule T-3 or T-4. The secondary rate schedule to be used shall be predetermined by negotiation between the Customer and Company, and shall be included in the service contract. All volumes transported under the secondary rate schedule are subject to the provisions of the applicable rate schedule T-3 or T-4.

5. Embedded in this service is the cost of purchased gas per the Company's PGA, firm interstate pipeline reservation charges, and distribution system costs.

**Rate Schedule T-3
INTERRUPTIBLE DISTRIBUTION TRANSPORTATION SERVICE**

AVAILABILITY:

Available at any point on the Company's distribution system to any customer upon execution of a one year minimum written service contract.

MONTHLY RATE:

Block One:	First	100,000 therms transported@ \$0.05881*
Block Two:	Next	50,000 therms transported@ \$0.02621*
Block Three:	Amount over	150,000 therms transported@ \$0.01208*

*Includes temporary purchased gas cost adjustment of \$0.00321

ANNUAL MINIMUM BILL:

The customer shall be subject to the payment of an annual minimum bill of \$30,000 during each annual contract period, unless a higher minimum is required under the service contract to cover special conditions.

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. The Company, in its sole discretion, shall determine whether or not it has adequate capacity to accommodate transportation of the customer's gas supply on the Company's distribution system.

2. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.

3. Interruptible Distribution Transportation Service may be made firm by a written agreement between the parties if the customer has a dedicated line.

4. If requested by the Company, the customer expressly agrees to interrupt its operations during periods of capacity constraints on the distribution system.

5. This service does not include the cost of the customer's gas supply or the interstate pipeline capacity. The customer is responsible for procuring its own supply of natural gas and transportation to Intermountain's distribution system under this rate.

6. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated and accepted for delivery by the interstate pipeline.

7. An existing LV-1, T-4, or T-5 customer electing this schedule may concurrently utilize Rate Schedule T-3 on the same or contiguous property.

Issued by: **Intermountain Gas Company**

By: Michael P. McGrath
Effective: October 1, 2008

Title: Director – Gas Supply & Regulatory Affairs

I.P.U.C. Gas Tariff
Second Revised Volume No. 1
(Supersedes First Revised Volume No. 1)
First Revised Sheet No. 11 (Page 2 of 2)

Name
of Utility

Intermountain Gas Company

IDAHO PUBLIC UTILITIES COMMISSION

Approved

Effective

Sept. 30, 2008

Oct. 1, 2008

Per O.N. 30649

Jean D. Jewell Secretary

Rate Schedule T-3
INTERRUPTIBLE DISTRIBUTION TRANSPORTATION SERVICE
(Continued)

BILLING ADJUSTMENTS:

1. Any T-3 customer who has exited the LV-1 service will pay to Intermountain Gas Company, upon entrance to the T-3 service, all pipeline reservation and distribution capacity costs incurred to serve the customer during the LV-1 contract period not borne by the customer during said contract period. Any T-3 customer who has exited the LV-1 service will have refunded to them, upon exiting the LV-1 service, any excess pipeline reservation and distribution capacity costs payments made by the customer during said contract period.

EXIT FEE PROVISIONS:

1. Any LV-1 customer, upon execution of a T-3 contract, will pay to Intermountain each month for a period of two (2) years, an Interstate Pipeline fixed cost collection rate of \$.015 per therm times the customer's monthly T-3 usage, up to and including 750,000 therms, not to exceed the customer's historic high usage for that same month, such usage as measured by the three (3) years ended July 1, 1998
2. In lieu of paying the Exit Fee provision, as stated in the above paragraph #1, the exiting LV-1 customer will provide to Intermountain a one year or more advanced written notice of the customer's intent to contract for T-3 service. The written notice will include the amount of daily firm interstate capacity the customer wishes to relinquish from their LV-1 contract when switching to service under the T-3 tariff. Intermountain will select, through the Exit Fee Waiver Customer Selection Process, the applicants eligible for the Exit Fee Waiver up to a maximum of 200,000 therms per day of relinquished firm interstate capacity. T-3 service for the selected customers will begin no earlier than October 1, 1999.

Issued by: **Intermountain Gas Company**

By: Michael P. McGrath

Effective: October 1, 2008

Title: Director – Gas Supply & Regulatory Affairs

**Rate Schedule T-4
FIRM DISTRIBUTION ONLY TRANSPORTATION SERVICE**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any customer upon execution of a one year minimum written service contract for firm distribution transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

Commodity Charge:

Block One:	First	250,000 therms transported@ \$0.06304*
Block Two:	Next	500,000 therms transported@ \$0.02455*
Block Three:	Amount over	750,000 therms transported@ \$0.00982*

*Includes temporary purchased gas cost adjustment of \$0.00321

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. This service excludes the service and cost of firm interstate pipeline charges.
2. The customer is responsible for procuring its own supply of natural gas and interstate transportation under this Rate Schedule. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated, scheduled, and delivered by the interstate pipeline to the designated city gate.
3. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
4. The customer shall nominate a Maximum Daily Firm Quantity (MDFQ), which will be stated in the contract and in effect throughout the term of the service contract.
5. An existing LV-1, T-3, or T-5 customer electing this schedule may concurrently utilize Rate Schedule T-4 on the customer's same or contiguous property.

BILLING ADJUSTMENTS:

1. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the T-4 Block 1 rate. The customer's future eligibility for the T-4 Rate Schedule will be renegotiated with the Company.

Issued by: **Intermountain Gas Company**

By Michael P. McGrath

Title: Director – Gas Supply & Regulatory Affairs

Effective: October 1, 2008

**Rate Schedule T-4
FIRM DISTRIBUTION ONLY TRANSPORTATION SERVICE
(Continued)**

In the event that total deliveries to any T-4 customer did not meet the 200,000 therm threshold during the current contract period, an additional amount shall be billed. The additional amount shall be calculated by billing the customer's total usage during that contract period at the Rate Schedule GS-1 Block 3 rate, adjusted for the cost of gas, and then subtracting the amounts previously billed during the annual contract period. The customer's future eligibility for the T-4 Rate Schedule will be renegotiated with the Company.

2. Usage above 750,000 therms in any given month which is in excess of the customer's historical maximum above 750,000 therms for that same month, such historic usage measured by the 3 years ended September 30, 1995, will be billed at the currently effective T-4 Block 2 price.
3. Any T-4 customer who has exited the LV-1 service will pay to Intermountain Gas Company, upon entrance to the T-4 service, all pipeline reservation costs incurred to serve the customer during the LV-1 contract period not borne by the customer during said contract period. Any T-4 customer who has exited the LV-1 service will have refunded to them, upon exiting the LV-1 service, any excess pipeline reservation cost payments made by the customer during said contract period.

EXIT FEE PROVISIONS:

1. Any LV-1 customer, upon execution of a T-4 contract, will pay to Intermountain each month for a period of two (2) years, an Interstate Pipeline fixed cost collection rate of \$.015 per therm times the customer's T-4 Block 1 and Block 2 usage. Any Block 1 or Block 2 usage during the month that exceeds the customer's historic high usage for that same month, such usage as measured by the three (3) years, will not be subject to this Interstate pipeline fixed cost collection rate.
2. In lieu of paying the Exit Fee Provision, as stated in the above paragraph #1, the exiting LV-1 customer will provide to Intermountain a one year or more advanced written notice of the customer's intent to contract for T-4 service. The written notice will include the amount of daily firm interstate capacity the customer wishes to relinquish from their LV-1 contract when switching to service under the T-4 tariff. Intermountain will select, through the Exit Fee Waiver Customer Selection Process, the applicants eligible for the Exit Fee Waiver up to a maximum of 200,000 therms per day of relinquished firm interstate capacity. T-4 service for the selected customers will begin no earlier than October 1, 1999.

Rate Schedule T-5**FIRM DISTRIBUTION SERVICE WITH MAXIMUM DAILY DEMANDS****AVAILABILITY:**

Available at any mutually agreeable delivery point on the Company's distribution system to any existing T-2 customer whose daily contract demand on any given day meets or exceeds a predetermined level agreed to by the customer and the Company upon execution of a one-year minimum written service contract for firm distribution service in excess of 200,000 therms per year.

MONTHLY RATE:

<u>Firm Service</u>	<u>Rate Per Therm</u>
Demand Charge:	
Firm Daily Demand -	\$0.84253
Commodity Charge:	
For Firm Therms Transported	\$0.00567*
<u>Over-Run Service</u>	
Commodity Charge:	
For Therms Transported In Excess Of MDFQ:	\$0.04826*

*Includes temporary purchased gas cost adjustment of \$0.00321

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

- 1 All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
- 2 The customer shall nominate a Maximum Daily Firm Quantity (MDFQ), which will be stated in and will be in effect throughout the term of the service contract.
- 3 The monthly Demand Charge will be equal to the MDFQ times the Firm Daily Demand rate. Firm demand relief will be afforded to those T-5 customers paying both demand and commodity charges for gas when, in the Company's judgment, such relief is warranted.
- 4 The actual therm usage for the month or the MDFQ times the number of days in the billing month, whichever is less, will be billed at the applicable commodity charge for firm therms.

Issued by: **Intermountain Gas Company**

By: Michael P. McGrath

Title: Director – Gas Supply & Regulatory Affairs

Effective: October 1, 2008